In reading the sociological literature on the constitution of society, one must notice that the majority of social scientists have constantly emphasized unveiling and explaining the structure of formal society. This view of things is part of the legacy of modernity, which envisioned emancipation through reason during the Enlightenment period. This Western view stresses that progress can be achieved mainly through a rational ordering of society.

Although one can learn a great deal from studies of the formal institutions of society, failure to focus on informal practices has been a major hindrance to our understanding of the operation, ramifications and elastic contours of everyday life. As Henry (1981: 1) notes:

What is missing from previous accounts is the implicit and hidden contribution of informal institutions ... we need to know how these informal institutions operate, and also how they relate to their formal counterparts ... Although informal institutions and practices are, and have always been, shared and expected by people who are involved in formal institutions, they rarely feature in sociological, economic or political accounts and theorising.

I am proposing an alternative and complementary approach, that of studying society – and for that matter the American city – from the angle of informal practices. The strategy that I pursue here is ‘to demarcate the informal sector as a distinct analytical and empirical category’ (Papola, 1981: 13). In this rationale, I do not study informality from the standpoint of the formal system, but instead understand the formal system from the standpoint of informality. In doing so, I recognize both the centrality and
peripherality of informal practices and institutions in the make-up, social organization and smooth functioning of the American city at the end of the twentieth century.

It is my view that informality permeates every aspect of the functioning of society. It is a vast realm—a multiplicity of niches—where human beings place themselves, either prior to the advent of an imposed formal system or within the nooks and crannies of the formal societal system. They do so in order to deal effectively with the routine issues of everyday life. Informality is understood here as a reality not totally separated from the formal system, but rather linked to and shaped by it. Informality is a structure of action that contains both harmonious (adaptation) and contradictory (resistance) relationships. It is a site of power in relation to external disciplinary and control power.

In this vein one may argue that informality 'is a point of resistance not so much against a certain class or group but against forms of power which deny the individuality of the subject. It is a site of struggle over competencies, knowledges and privileges' (Matthews, 1988: 19). Its meanings can be constructed in terms of both its genealogy and its relations to the contextual condition of the formal system.

Informality has been variously conceptualized by social scientists, depending on whether it is conceived of as a separate reality or as part of formality. It is worth presenting and analyzing briefly models of informality that have been constructed in the extant sociological and anthropological literature. Some of these can be seen as complementary in a unified theory of informality. Let us now start deconstructing in a succinct manner their basic content.

The informal system is sometimes conceived of as an alternative system. This implies that it is a separate reality. As Fitzpatrick (1988: 179) puts it, it is seen as 'essentially alternative and resistant to formal systems and, usually, as operating in diminution of them'. Criticizing the literature on informal organizations, Carlson (1958: 367) notes that 'it creates a mental image of two separate and distinct organizations in purposive organizations. It sets up mental categories of formal and informal organization and implies that all observations must be sifted into one or the other category.' This model proposes the idea that the informal